



**Cash Flow on Disposition (Before Tax)**

Salvage Value	\$	300,000
Less: Selling Expenses		<u>30,000</u>
<b>Cash Flow on Disposition (Before Tax)</b>		<b>270,000</b>

**Cash Flow on Disposition (After Tax)**

Net Salvage Value			270,000
Less: Capital Gains Tax			
Net Salvage Value		270,000	
Less Cost Basis		<u>11,000,000</u>	
Capital Gains	-	x 35.00%	-
Less: Recaptured Depreciation Tax			
Tax Value of Investments on Sale		300,000	
Less Adjusted Basis		<u>-</u>	
Recaptured Depreciation	300,000	x 35.00%	<u>105,000</u>
<b>Cash Flow on Disposition (After Tax)</b>			<b>165,000</b>